

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2017/2018

UCS2612 CONSUMER LAW

(All Sections/ Groups)

30 MAY 2018

Reading Time: 9.00 am – 9.15am

(15 Minutes)

Answering Time: 9.15 am – 12.15 pm

(3 Hours)

INSTRUCTIONS TO STUDENT

1. Students will have fifteen minutes during which they may read the paper and make rough notes ONLY in their question paper. Students then have the remaining **THREE HOURS** in which to answer the questions.
2. This Question paper consists of 2 pages with 5 Questions only.
3. Attempt Question 1 in Part A which is compulsory and any **THREE** out of **FOUR** Questions in Part B. The distribution of the marks for each question is given.
4. Students are not allowed to bring in any statutes into the Examination Hall.
5. Please write all your answers in the Answer Booklet provided.

Part A: COMPULSORY**QUESTION 1**

Jameson Sdn. Bhd. developed a consumable slimming product called SLIMSET which they claim is effective for losing weight within a short period of time. The company ran a series of advertisements, including arranging talk shows during prime time on leading TV channels.

Their main claim was that it requires no specific dieting schedule as long as the consumers follow the SLIMSET prescription. During the commercial run, they asserted that the product was scientifically tested, which added credibility to their claim. Joe Nathan bought a year's supply of the product from an online supplier named LAZAR.COM, who sells a variety of products. He used the product for 6 months with no significant changes. He later read on the Facebook of the many user reviews that claimed that this was more a scam rather than a genuine product. Joe Nathan seeks to refund the balance of the unused product from LAZAR.COM but was refused on the grounds that the company practices a no refund policy. In any event the action should be directed to the manufacturer.

a) Discuss the various issues arising in this episode, in relation to the Consumer Protection Act of 1999.

(30 Marks)

b) With reference to decided cases, explain when bait advertising becomes an offence under the Act.

(10 Marks)

(Total: 40 Marks)

SECTION B (Answer any three questions)**QUESTION 2**

Edwin bought a new van a week ago. While driving to his office one of his tyre burst due to the defect in the tyre and his van crashed into a tree causing a significant damage to the van. He suffered injury to his right shoulder and needed to be hospitalised. Edwin wishes to claim for the damage to his van and to his personal injury.

Evaluate the situation and advise Edwin based on the Product Liability of the Consumer Protection Act of 1999.

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QUESTION 3

Under the Unfair Contract Terms of the Consumer Protection (Amendment) Act 2010, the Tribunal may take into account the doctrine of inequality of bargaining power in defining contractual unfairness.

Illustrate the unfair terms as stated in sections 24C and 24D in Part 111A of the Act.

(Total: 20 Marks)

QUESTION 4

Anwar Saad recently purchased a 2nd hand piano after seeing an advertisement in a newspaper placed by Mr Cheong Han. Upon inspection of the item and further given an assurance by the seller of its excellent quality, Anwar Saad purchased the piano for his daughter. However, a week later it was found that there was a major defect in the piano, which was not detectable upon initial inspection. He also found out that there was no spare part to replace the defective part of the piano. He wishes to return the product but was afraid that Mr Cheong Han would not accept the piano and refund his money.

Two days later, Anwar Saad had an unexpected visitor to his house. A lady claimed that she was the estranged wife of Mr Cheong Han living separately. She heard of the sale of the piano and told him that her husband has no right to sell the piano without her consent as it was a jointly purchased item when they were living together. She wanted the piano back.

Advise Anwar Saad on all his remedies analysing the salient provisions of the Consumer Protection Act 1999.

(Total: 20 Marks)

QUESTION 5

Under Part X11 of the Consumer Protection Act of Malaysia (CPA) 1999 explain briefly the following: -

- a) Jurisdiction of the consumer tribunal; (7 marks)
- b) Limitation of the jurisdiction; (6 marks)
- c) Extension and abandonment of the claim by agreement. (7 marks)

(Total 20 Marks)

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